



APPROPRIATIONS UPDATE

HOUSE COMMITTEE ON THE BUDGET
Majority Caucus

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VA, HUD, AND INDEPENDENT AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2002 Conference Report

SUMMARY

The Conference Report accompanying the Veterans Affairs, Housing and Urban Development, and Independent Agencies appropriations bill (H.R. 2620, H. Rept. 107-272) provides \$85.463 billion in budget authority [BA] and \$88.045 billion in outlays for fiscal year 2002. These amounts include \$1.5 billion in BA, with no accompanying outlays, for emergency-designated appropriations. After adjusting for the emergency designation, the BA provided by the conference report will

be \$200 million below the 302(b) allocation established pursuant to the fiscal year 2002 budget resolution (H. Con. Res. 83). It also is consistent with the bipartisan discretionary spending agreement between the Congress and the President. Pursuant to that agreement, the House Budget Committee has reported a bill (H.R. 3084) increasing the appropriate levels in the budget resolution and the discretionary spending limits established in the Deficit Control Act.

VA, HUD, and Independent Agencies Appropriations Conference Report (fiscal years; millions of dollars)				
	2001 Enacted	Administration 2002 Request	House-Passed	Conference
Budget Authority	80,782	83,357	85,434	85,434
Outlays	84,994	87,892	88,045	88,463

DISCUSSION

The conference report, including emergency spending, provides an increase of \$4.652 billion in BA from the fiscal year 2001 enacted amount, and \$2.077 billion in BA above the President's request. The total spending under the conference report is equal to the amounts included in the House-passed measure. It designates an emergency appropriation of \$1.5 billion for the disaster relief program of the Federal Emergency Management Agency [FEMA]; the House-passed bill had included \$1.3 billion in emergency funds for the program. The conference report also

contains an advance appropriation of \$4.2 billion for the Department of Housing and Urban Development [HUD] section 8 housing program. The advance appropriation is included in the list of permissible advance appropriations under section 201 of the fiscal year 2002 budget resolution.

The conference report provides for renewal of all expiring section 8 housing vouchers, in addition to funding creation of an additional 25,900 new "incremental" vouchers. This is 8,100 fewer incremental vouchers than were envisioned in

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the House-passed bill. The conference report also provides \$2.843 billion for the Public Housing Capital Fund, an increase of \$288.4 million above the House-passed level of \$2.555 billion. The Public Housing Operating Fund receives an appropriation of \$3.494 billion, the same level as in the House bill, and includes a transfer of funds from the Drug Elimination Grant account, which was terminated as being duplicative of authority currently available to public housing authorities under the Public Housing Operating Fund. Funding for the Community Development Block Grant [CDBG] Program is earmarked at \$4.341 billion, or \$1.7 million above the level in the House-passed bill.

The conference report provides \$23.826 billion for veterans programs, a decrease of \$220 million from the House-passed

level. This total for veterans includes \$21.331 billion for medical care, an increase of \$49 million above the House-passed level.

Finally, the bill would reduce projected revenues by \$32 million in fiscal year 2002 and \$172 million over the 2002-2006 period, stemming from changes in HUD manufactured housing fees and Environmental Protection Agency pesticide tolerance fees. These amounts will be subject to pay-as-you-go [PAYGO], which under PAYGO procedures must be offset by other tax or entitlement legislation.

The table below presents a comparison, by agency, of amounts provided in the conference agreement with those in the House-passed bill.

Discretionary Spending in the VA, HUD and Independent Agencies Appropriations Conference Report (fiscal year 2002; in millions of dollars)						
	House Passed		Conference		Difference	
	BA	Outlays	BA	Outlays	BA	Outlays
Department of Veterans Affairs	24,046	23,325	23,826	23,544	-220	219
Department of Housing and Urban Development	30,150	34,327	30,148	34,234	-2	-93
Environmental Protection Agency	7,545	7,760	7,903	7,809	358	49
Federal Emergency Management Agency	3,557	3,480	3,058	3,485	-499	5
National Aeronautics and Space Administration	14,951	14,227	14,793	14,250	-158	23
National Science Foundation	4,840	4,161	4,789	4,150	-51	-11
All Other	345	765	917	991	572	226

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